

**BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA
DOCKET NO. 2018-331-C**

Application of)
)
NGA 911, LLC)
)
for a Certificate of Public Convenience)
and Necessity to Provide Resold and)
Facilities-Based Local Exchange,)
Exchange Access and Interexchange)
Telecommunications Services in the State)
of South Carolina, and For Alternative)
and Flexible Regulation)

TESTIMONY OF DONALD FERGUSON

1 **Q. Please state your name, business address and title.**

2 A. My name is Donald Ferguson, and my business address is 8383 Wilshire Boulevard,
3 Suite 800, Beverly Hills, CA 90211. I am the Chief Operating Officer (CEO) of NGA
4 911, LLC (“NGA 911”), the Applicant in the above-captioned matter.

5 **Q. Please state your qualifications.**

6 A. In my role as CEO for NGA 911, I have personal knowledge of the telecommunications
7 services provided by NGA 911, NGA 911’s equipment and network, and of its legal and
8 regulatory status. A summary of my professional experience is attached to the
9 Application in this Docket as part of **Exhibit D** thereto. In my role as CEO, I oversee all
10 aspects involved with NGA 911’s business.

11 **Q. What is the purpose of your testimony?**

12 A. The purpose of my testimony is to present evidence describing the technical, managerial,
13 and financial fitness of NGA 911 to provide resold and facilities-based local exchange
14 and interexchange telecommunications service within the State of South Carolina. This

1 testimony will also describe the services to be provided by NGA 911. Finally, my
2 testimony will show that the public interest will be served by the approval of NGA 911's
3 Application.

4 **Q. Are all of the statements in NGA 911's Application correct and true to the best of**
5 **your knowledge, information and belief?**

6 A. Yes.

7 **Q. Do you wish to incorporate by reference any documents into this testimony?**

8 A. Yes. I wish to incorporate, by reference, NGA 911's underlying Application filed in this
9 proceeding and its associated exhibits.

10 **Q. Do you ratify and confirm the statements and representations made in that**
11 **Application and all Exhibits attached thereto?**

12 A. Yes.

13 **Q. Has NGA 911 registered to do business in South Carolina?**

14 A. Yes. NGA 911 received foreign limited liability corporation authority in South Carolina
15 on October 10, 2018. A copy of the Certificate of Authority issued by the South Carolina
16 Secretary of State was attached to NGA 911's Application in this Docket as part of
17 **Exhibit A.**

18 **Q. Has anything occurred since the Application of NGA 911 was filed that materially**
19 **changes the representations therein?**

20 A. No.

21 **Q. Does NGA 911 have the requisite managerial, technical and financial abilities to**
22 **provide the services for which it applied?**

23 A. Yes.

1 **Q. Please describe Applicant's financial abilities.**

2 A. As demonstrated in the financial documents submitted as **Confidential Exhibit C** to
3 NGA 911's Application, NGA 911 has sufficient capital on hand to commence
4 operations in the State of South Carolina and has access to additional capital as may be
5 needed to sustain future growth and expansion. NGA 911's business plan calls for the
6 Company to provide its emergency call routing, transport, and related functionalities
7 based upon contracts with state and municipal governmental agencies. Under this plan,
8 revenue from customers will be readily identified prior to any extensive outlay of capital.

9 **Q. Please describe the technical and managerial qualifications of NGA 911.**

10 A. NGA 911's management team includes individuals with substantive experience in
11 successfully developing and operating telecommunications businesses. Consequentially,
12 the Company has the adequate internal technical resources to support its South Carolina
13 operations. Specific details of the business and technical experience of NGA 911's
14 officers and management personnel were attached to the Application as **Exhibit D**.

15 **Q. What services will NGA 911 offer?**

16 A. NGA 911 principally proposes to offer 911 selective routing, switching, aggregation and
17 call transport. The Applicant intends to provide emergency call routing, transport, and
18 related functionalities to state and municipal governmental agencies to support public
19 service answering point (PSAP) operations. Applicant will rely primarily on existing
20 facilities obtained from other carriers and utilities, but will construct its own facilities, as
21 necessary. All services will be available twenty-four hours a day and seven days a week.
22 Applicant will begin offering service if this Application is granted.

1 **Q. Does NGA 911 intend to offer prepaid debit card services or retail residential local**
2 **exchange services in South Carolina?**

3 A. Not at this time. NGA 911 is aware of the Commission's \$5,000 bond or certificate of
4 deposit requirement associated with prepaid debit card services, as well as the bond
5 requirements of S.C. Code Ann. Regs. 103-607, and will file any such required
6 instrument with the Commission should NGA 911 decide to offer these services in the
7 future.

8 **Q. How will Applicant bill for its services?**

9 A. NGA 911's customers will be billed according to individual case basis contracts
10 negotiated with each customer. NGA 911's customers typically are state and municipal
11 governmental agencies.

12 **Q. Does NGA 911 have offices in South Carolina?**

13 A. No. NGA 911 does not intend to have offices in South Carolina at this time.
14 Accordingly, the Company requests, pursuant to Rule 103-610, that the Commission
15 allow it to keep all applicable books and records at its offices in California. In the event
16 that the Commission Staff or the South Carolina Office of Regulatory Staff (ORS) should
17 desire to inspect such books and records, NGA 911 will provide access expeditiously at
18 its own expense.

19 **Q. By what method will NGA 911 keep its financial records?**

20 A. NGA 911 uses Generally Accepted Accounting Principles ("GAAP"). To the extent that
21 the Commission's Rules require the use of the Uniform System of Accounts ("USOA"),
22 NGA 911 requests a waiver in order that GAAP be allowed.

23 **Q. How will NGA 911 market its services?**

1 A. NGA 911 will market its services directly to its potential customers. As stated above,
2 NGA 911's customers typically are state and municipal governmental agencies.

3 **Q. Has NGA 911 obtained authority to provide its services in any other states?**

4 A. Yes. NGA 911 is currently authorized to provide service in California, Texas, and West
5 Virginia.

6 **Q. Please describe the proposed tariff filed by NGA 911.**

7 A. NGA 911 filed as **Exhibit B** of its Application its proposed tariff. The tariff contains the
8 applicable rules and regulations for the provision of NGA 911's regulated services. I
9 believe that NGA 911's tariff will comport with all applicable Commission Rules and
10 Orders, and NGA 911 agrees to make all changes suggested by the ORS that may be
11 necessary to comply with applicable authority.

12 **Q. Will granting a Certificate serve the public interest of South Carolina consumers?**

13 A. A decision by the Commission to grant NGA 911 authority to provide local exchange and
14 interexchange telecommunications service is in the public interest. The public interest
15 will be served by expanding the availability of competitive telecommunications services
16 and enhanced telecommunications infrastructure in the State of South Carolina, thereby
17 facilitating economic development. Authorizing NGA 911 to enter the
18 telecommunications service market will increase the competitive choices available, and
19 in turn create incentives for all carriers to lower prices, provide new and better quality
20 services, and be more responsive to customer issues and demands.

21

1 **Q. Who is knowledgeable about NGA 911's operations and will serve as the**
2 **Commission's/ORS's regulatory and customer service contact?**

3 A. All ongoing compliance matters should be directed to Michelle Bland, Director of
4 Services, 8383 Wilshire Boulevard, Suite 800, Beverly Hills, CA 90211, (877) 899-8337,
5 (646) 632-1311 (fax), services@nga911.com. Customer complaint and billing matters
6 should also be directed to the attention of Michelle Bland.

7 **Q. What regulatory treatment has NGA 911 sought in connection with this Docket?**

8 A. NGA 911 requests flexible regulation for any future local exchange telecommunications
9 services as the Commission first granted in Order No. 98-165 in Docket No. 97-467-C. In
10 addition, NGA 911 requests that all of its future interexchange switched business service
11 offerings be regulated pursuant to the procedures described and set out in Commission
12 Order Nos. 95-1734 and 96-55 in Docket No. 95-661-C, as modified by Commission
13 Order No. 2001-997 in Docket No. 2000-407-C. It is NGA 911's intent by this request to
14 have its business services regulated in the same manner as this Commission has permitted
15 for AT&T Communications of the Southern States, Inc. ("AT&T").

16 **Q. Will NGA 911 comply with all of the applicable rules, regulations and orders of the**
17 **Commission?**

18 A. Yes.

19 **Q. Does this conclude your testimony?**

20 A. Yes.

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CERTIFICATE OF SERVICE

This is to certify that I have caused to be served this day the **Direct Testimony of Donald Ferguson** via electronic mail service as follows:

C. Lessie Hammonds
lhammon@regstaff.sc.gov

Margaret M. Fox
M. John Bowen, Jr.
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s/John J. Pringle, Jr.

December 10, 2018
Columbia, South Carolina